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Proposed programme budget for the biennium 2010-2011

Proposed programme budget for the biennium 2010-2011: section 28D, Office of Central Support Services, and section 33, Construction, alteration, improvement and major maintenance

Twelfth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2010-2011

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the addenda to sections 28D, Office of Central Support Services, and 33, Construction, alteration, improvement and major maintenance, of the proposed programme budget for the biennium 2010-2011 (A/64/6 (Sect. 28D)/Add.1 and A/64/6 (Sect. 33)/Add.1). During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification.

II. Section 28D, Office of Central Support Services

2. The addendum relating to section 28D provides additional information to support the proposal of the Secretary-General for additional resources in 2010-2011 (see A/64/6 (Sect. 28D), para. 28D.22) to enhance the role of the Office of Central Support Services in coordinating and providing support to overseas duty stations or offices away from Headquarters in the area of facilities management. It also describes the envisaged responsibilities to be assumed by Headquarters in the management of construction and renovation projects at offices away from Headquarters.

3. In the report, the Secretary-General indicates that a strategic capital review will be undertaken at all offices away from Headquarters to establish an Organization-wide perspective, which will form the basis of a 20-year strategic

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capital plan at each office (see A/64/6 (Sect. 28D)/Add.1, paras. 14-19). The Committee was informed that the findings of the review would lay the groundwork for future budgets.

4. The Advisory Committee has recommended approval of the additional resources requested in the original budget document (see A/64/7, para. VIII.64), which included two new posts: a Senior Overseas Property Officer at the P-5 level and an Associate Overseas Property Officer at the P-2 level. The Committee also made the following comment in chapter I of its first report on the proposed programme budget for the biennium 2010-2011 (ibid., Sect. 1, para. 73):

> In the view of the Committee, the arrangements for leadership by the Office of Central Support Services have not been adequately elaborated. Furthermore, a suitable mechanism for coordination between Headquarters and offices away from Headquarters should be put in place. The Committee continues to believe that the arrangements for planning, managing and monitoring projects for the development of new facilities and major maintenance, as well as the procedures for approval of such projects, require a thorough review. It therefore reiterates its recommendation that the Secretary-General review these arrangements and procedures, with a view, inter alia, to clarifying the roles and responsibilities of all involved in such projects.

While not explicitly stated, the Committee understands the addendum to be, at least in part, a response to this recommendation.

5. **The Advisory Committee considers the measures set out in the addendum to be a step in the right direction; however, in the Committee's view, there is a need to clarify further the central leadership role of the Office of Central Support Services in ensuring an Organization-wide perspective on the needs and priorities relating to construction, major maintenance and the overall management of United Nations facilities. The Committee notes that, according to paragraph 11 (c) of the addendum, for example, the Office is to provide guidance and advice "at the request of the local project management teams". In the Committee's opinion, the role of the Office should be stronger, and clearer lines of authority and responsibility should be established. Furthermore, the responsibility for prioritization of needs Organization-wide must also be clearly assigned in order to enable an adequate overview as well as a long-term perspective. Moreover, while the Committee notes the intention to undertake a strategic capital review, it stresses the need to ensure that such a review is not merely a static inventory of problems; rather, such a review should address the issues noted above. In addition, the Committee emphasizes the importance of drawing upon the relevant lessons learned during the course of the planning and implementation of the capital master plan.**

III. Section 33, Construction, alteration, improvement and major maintenance

6. The addendum relating to section 33 (A/64/6 (Sect. 33)/Add.1) was submitted pursuant to paragraph 33.11 of the proposed programme budget, in which the Secretary-General indicated that he would submit detailed proposals with respect to the project for the renovation and refurbishment of the Palais des Nations in Geneva

(known as the "strategic heritage plan") to the General Assembly at its sixty-fourth session. It also responds to the Committee's recommendation that information on the terms of reference of the second phase should be provided to the Assembly at the time of its consideration of the proposed programme budget for 2010-2011 (see A/64/7, para. XI.12). The report of the Secretary-General is submitted in an addendum to section 33 of the proposed programme budget owing to the timing of the initial basic assessment (phase one), which was not completed until August 2009.

7. As indicated in paragraph 12 of the addendum, the proposed plan would broadly involve three project phases: (a) initiation; (b) planning; and (c) execution. The first phase, consisting of a basic review of the structural problems, was funded from voluntary contributions and, as mentioned above, was completed in August 2009. A total of $1.1 million was included in the proposed programme budget (A/64/6 (Sect. 33)) for phase two to carry out in 2010 an engineering study which is to form the basis for analysis and proposals for the renovation plan.

8. The Advisory Committee has recommended approval of the $1.1 million for phase two (see A/64/7, para. XI.12). The table and paragraphs 21 to 26 of the addendum provide a breakdown of projected requirements. The addendum also contains a preliminary outline of the current building- and facility-related problems and provides details on the proposed conceptual engineering study to develop a project plan to ensure the continued functionality of the compound. Paragraphs 16 and 17 of the addendum describe key deliverables and tasks to be undertaken in the context of the study. A progress report is to be presented to the General Assembly at its sixty-fifth session.

9. The Advisory Committee was informed that it was not possible at the present stage to provide a preliminary estimate of the overall costs of the project. **The Committee recommends that the General Assembly request the Secretary-General to monitor the situation closely and to include in his report to the Assembly at its sixty-fifth session any developments, including those which may have financial implications.**

IV. Conclusion

10. **The Advisory Committee recommends that the General Assembly take note of the reports contained in documents A/64/6 (Sect. 28D)/Add.1 and A/64/6 (Sect. 33)/Add.1 and approve the related resources reflected in sections 28D and 33 of the proposed programme budget. In so doing, however, it wishes to express its concern regarding the precedent created by the issuance of addenda to the initial budget proposal to further justify the budget proposals. While the Committee understands that, in particular with regard to section 33, additional information came to light which was of importance to the consideration of resource requirements, it emphasizes that the initial budget submission should form the basis for decision-making except in extraordinary circumstances.**